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WOMEN IN THE PRIVATE SECTOR IN AZERBAIJAN:

opportunities and challenges

GENDER ASSESSMENT REPORT 2018

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WOMEN IN THE PRIVATE SECTOR IN AZERBAIJAN: OPPORTUNITIES AND CHALLENGES

GENDER ASSESSMENT REPORT, 2018

This report was prepared by Dr. Aysel Vazirova

The views expressed in this publication are those of the author and do not necessarily represent those of the United Nations Development Programme, United Nations Population Fund, the Swiss Agency for Development and Cooperation, the State Committee for Family, Women and Children Affairs and Women's Association for Rational Development. However, the report was overall a consultative effort of all the partners involved.

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State Committee for Family, Women and Children's Affairs (SCFWCA)

The State Committee for Family, Women and Children Affairs of the Republic of Azerbaijan is the central executive body responsible for implementing and regulating the state policy on family, women and children's issues. The Committee's main areas of involvement are the development and enforcement of consolidated and unified government policies aimed to protect the rights and improve the lives of women and children.

www.scfwca.gov.az



Women's Association for Rational Development (WARD) was created in 2002 by a group of active women, who were united with the MISSION to contribute to the development of Azerbaijan through women's empowerment and equal participation. WARD is struggling against any kind of discrimination and violence. WARD's goal is empowering women and promoting gender equality in Azerbaijan. www.ward.az



United Nations Population Fund (UNFPA) is the lead UN agency for delivering a world where every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled. Within more than 20 years of partnership with Azerbaijani Government UNFPA joined efforts with the civil society organizations, private sector, bilateral and multilateral partners to accelerate progress on the International Conference on Population and Development (ICPD) agenda in Azerbaijan through contribution to the national development priorities. UNFPA in Azerbaijan focuses on enhancing the national capacity to improve the availability, accessibility and utilization of population data as a basis for formulating, implementing and monitoring national policies and programmes to appropriately address both current and future needs. www.unfpa.org



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List of abbreviations

CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CFSC	Children and Family Support Centre
FGD	Focus Group Discussion
GDP	Gross Domestic Product
IFI	International Financial Institutions
ILO	International Labour Organisation
KII	Key Informant Interview
LFPR	Labour Force Participation Rate
MLSPP	Ministry of Labour and Social Protection of the Population
SCFWCA	State Committee for Family, Women and Children's Affairs
SCO	Swiss Cooperation Office
SDC	Swiss Agency for Development and Cooperation
SDGs	Sustainable Development Goals
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
WARD	Women's Association for Rational Development
WRC	Women Resource Centre

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Executive summary

The 2030 Agenda for Sustainable Development envisions a strong connection between an innovative, inclusive and sustainable private sector economy on the one hand, and equal opportunities for women and girls to access and benefit from private sector opportunities on the other. Azerbaijan's Roadmap for Strategic Development presents a similar vision for national development, emphasising the importance of women-led entrepreneurship for human capital-driven economic growth.

Many features of the situation concerning gender equality in Azerbaijan are in line with wider regional and global trends: solid progress on health indicators, impressive educational achievements and high labour force participation rates among women are accompanied by insufficient representation of women among political and business leaders.

The goal of this study has been to examine the factors influencing women's participation in the private sector economy and to support the efforts of the national government, private sector actors and civil society organisations (CSOs) working to promote women's economic empowerment. Its objectives are to identify

and analyse gender-specific barriers that hinder women in pursuing business opportunities, securing decent jobs¹ and building successful careers in the private sector. The study also examines gender-specific factors affecting the involvement of men in the private sector economy. Finally, the report explores factors, which facilitate the successful engagement of both women and men in private sector operations. In accordance with the findings, the report finishes by offering a series of recommendations for strengthening progress towards the equal participation and opportunities of both genders in the private sector economy. Data for the study was collected through a series of focus-group discussions (FGDs) and key informant interviews (KIIs) in Baku, Khazar, Guba, Saatly, Shaki, Lankaran and Gabala.

Azerbaijan has several key factors supporting the case for women's equal participation in the private sector. National legislation provides a strong legal foundation for gender-equal access to economic resources. Azerbaijan's Constitution and legislative base guarantee women equal rights to own property and engage in all types of economic activity. The high level of educational achievements and labour force participation typical for Azerbaijani women generates a women workforce of

[1] Based on the ILO's definition, decent work is understood as "work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organise and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men". <http://www.ilo.org/global/topics/decent-work/lang--en/index.htm>

impressive potential. Releasing the full capacity of the national women workforce for the development of the private sector is designated as a primary task in Azerbaijan's national development strategy (Azerbaijan's Roadmap for Strategic Development). For the same reason, the strategy, addressing private sector growth in Azerbaijan, has a section specifically dedicated to supporting women-entrepreneurs. Engaging more women in private sector jobs requires a strong childcare infrastructure. Addressing the increasing demand in 2017 – 2018 the government took significant steps to develop a family support infrastructure (specifically, directing public investment to build new childcare facilities).²

Following the President's Decree ("Additional measures to ensure population's self-employment", issued on April 7, 2016) the Presidential Reserve Fund allocated 6 million manats for the MLSPP. The Ministry used this funding to organise professional training for 1767 unemployed in 130 groups in 76 regions. 959 men and 322 women successfully completed the training.³

In line with the national strategy, the current study examined key barriers preventing women from fully engaging in private sector as well as the key factors facilitating women's success. The study identified a range of gender-

specific barriers, which contribute to an economic gap between men and women in the private sector. Eliminating these factors will help more women to secure decent jobs, build rewarding careers and pursue business opportunities in the private sector. Many of the barriers identified by the study are in line with global factors preventing women from achieving an equal position with men in the private sector: restrictions imposed by the family; the burden of unpaid domestic labour; pervasive gender stereotypes; and fear of harassment in the workplace. The data suggest that similar barriers impede women's economic empowerment across several regions - this is the case regardless of the urban/rural divide and employment status.

The study revealed that the gender-specific barriers often accumulate, and that women have to struggle with a combination of economic burden and, patriarchal gender norms. As in many parts of the world, women in Azerbaijan are familiar with the problem of "glass ceiling". Despite being equal with men legally, women at times suffer from gender stereotypes, which pervade the private sector and generate situations when women can be marginalised and overlooked in promotions to decision-making positions.

Striving to succeed in the private sector, women

[2] In February, 2018, 19,577 million manats were allocated by the Presidential decree for construction of new pre-school childcare facilities in 15 locations across the country. An electronic copy of the decree can be found in the legislative data-base of the Ministry of Justice, <http://e-qanun.az/framework/37903>

[3] The information was submitted by the Ministry of Labour and Social Protection of Population.

deal with a continuum of gender-specific barriers that extend from the burden of unpaid domestic labour and subsequent shortage of time for career development, insufficient family support infrastructure and unequal opportunities in the labour market, compared to men workers. The latter specifically includes cases of gender-based discrimination in hiring, stereotypes of “women’s work” and “men’s work” and in some communities, a negative perception of women’s active involvement in social life outside of family circle.

The study highlighted important results regarding gender-specific barriers experienced by men entering the private sector. In many communities men are perceived as solely responsible for supporting their families, which results in a significant psychological and economic burden. The study also demonstrated that overall men respondents tended to lack awareness of gender-specific factors affecting the economic opportunities available for women and men in the private sector.

The findings of the study demonstrate that women require a much longer list of facilitating factors in order to succeed in private sector employment and entrepreneurship. Those facilitating factors include: family support;

relevant educational opportunities; the redistribution of domestic labour; greater mobility in public space; and gender-equal treatment by employers.

These findings suggest that gender-specific barriers can prevent women from realising their full potential as business-owners and private sector employees. By eliminating these factors private sector employers will gain a larger share of highly educated, skillful women workforce and the national development will benefit from further growth of women-led enterprises.

Overall, the last 5 years witnessed a significant growth of women owned businesses (the number of women entrepreneurs doubled in 2012 – 2017).⁴ However, the need to address gender inequality in the private sector still persists. Azerbaijan’s transition to the growth model based on advanced human capital (as envisioned in Azerbaijan’s Roadmap for Strategic Development for 2016 – 2020⁵) requires further strengthening of women’s positions in the private sector economy. This echoes global trends: according to a study by McKinsey Global Institute, global GDP could be boosted by as much as \$28 trillion (or 26 percent) by 2025 if women were allowed an equal role.⁶

[4] Based on 2017 data collected nation-wide by municipalities for the SSC and SCFWCA

[5] Azerbaijan’s Strategic Roadmap on the National Economy Perspective, 6 December 2016

[6] McKinsey Global Institute (MGI). *The power of parity: How advancing women’s equality can add \$12 trillion to global growth, 2015*, London, San Francisco and Shanghai, McKinsey and Company, <https://www.mckinsey.com/global-themes/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth>

Based on these insights, this report contains a series of targeted action-oriented recommendations for the government, civil society and private sector actors.

Introduction: the private sector, gender equality and progress towards sustainable development

The 2030 Sustainable Development Agenda envisions a coherent and highly integrated approach to the social, economic and environmental dimensions of global, national and local development. The Agenda highlights multiple links between gender equality and other Sustainable Development Goals (SDGs), and emphasises the role of gender equality as an accelerator for economic growth and social prosperity.

In order to achieve progress toward sustainability, the Agenda gives great weight to the need for public-private partnerships (PPPs), and close cooperation between governments, private sector companies and civil society organisations in driving sustainable growth. An innovative, inclusive and sustainable private

sector economy, crucial for national prosperity, is highly dependent on advanced human capital, which cannot be achieved while women and girls are deprived of equal access to resources, opportunities and decision-making fora. Recent studies show that, on a global scale, an equal role in the economy for women could add as much as 26 percent to global GDP by 2025.⁷

Global data exhibits a concerning trend: in 2016 the economic gender gap has widened compared to 2013. On average, women earn just half of what men earn, despite working longer hours (to cover unpaid labour). Women's labour force participation remains stagnant, they tend to own smaller shares of land and are still a small minority among the world's business leaders.⁸ Women and girls are lagging behind in access to digital technologies and skills (the 'digital gender gap'), which makes them particularly vulnerable to the challenges of automation and other aspects of the Fourth Industrial Revolution.⁹ Global progress towards sustainable development will be significantly stalled unless the private sector supports the economic empowerment of all women and girls, boosts gender-equal participation and takes concrete steps to eradicate all forms

[7] McKinsey Global Institute (MGI). *The power of parity: How advancing women's equality can add \$12 trillion to global growth*, 2015, London, San Francisco and Shanghai, McKinsey and Company, <https://www.mckinsey.com/global-themes/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth>

[8] *Global Gender Gap Report, 2016*, World Economic Forum, <http://reports.weforum.org/global-gender-gap-report-2016/>

[9] *Ibid.*

gender-based discrimination in its operations.

Azerbaijan's Roadmap for Strategic Development for 2016 – 2020 ¹⁰ (with a 2025 longer-term perspective), the nation's major policy vision for the near future, aligns considerably with the global sustainability agenda. The vision sets the private sector as a primary driving force for economic growth and places great emphasis on the development of human capital (including boosting women's involvement in entrepreneurship). The Roadmap outlines the country's next development stage as a transition from state-led and resource-based growth to one driven by an expanding private sector and based on a highly skilled human capital.

"Azerbaijan 2020: Outlook for the Future Development Concept" also emphasises the human capital as a foundation for national development and specifically envisions, as a priority, the progress in achieving gender equality through "state policies aimed at elimination of gender-based violence, creation of equal opportunities for women and men in the labour market, promotion of women in the workplace and further engagement of women in decision-making".¹¹

In Azerbaijan, several important pre-conditions for increasing women's role in the development of the private sector are present. The nation has a robust legislative base, protecting women's rights in general, and the rights of working women in particular. Gender equality is protected by the Constitution of the Republic of Azerbaijan. This provision is further elaborated in the Law "On guarantees of gender equality", adopted in 2006. The law guarantees equal opportunities for men and women in political, economic, social and cultural life. The Law on the Prevention of Domestic Violence, adopted in 2010, outlines the state's responsibility in the prevention of violence and for the protection of victims of violence. Azerbaijan is a signatory to all the major international agreements protecting women's rights, including notably CEDAW (Convention on the Elimination of All Forms of Discrimination against Women). The National Labour Code contains several provisions to ensure paid maternity leave (parental leave), job security for pregnant women, shorter hours for working mothers with small children and children with disabilities, and special arrangements for women working in the agricultural sector.¹² In 2016, 62 percent of women over 15 years of age participated in the

[10] *Azerbaijan's Strategic Roadmap on the National Economy Perspective*, 6 December 2016

[11] *Azerbaijan 2020: Outlook for the Future*, p. 30, https://president.az/files/future_en.pdf (last accessed on 30/07/2018)

[12] *Azerbaijan's Labour Code includes some provisions (a part of Soviet legislative legacy) prohibiting women from working in certain industrial occupations. Recently the MLSP developed and submitted to the Parliament a draft law that includes amendments to the Labour Code eliminating all limitations for women's employment.*

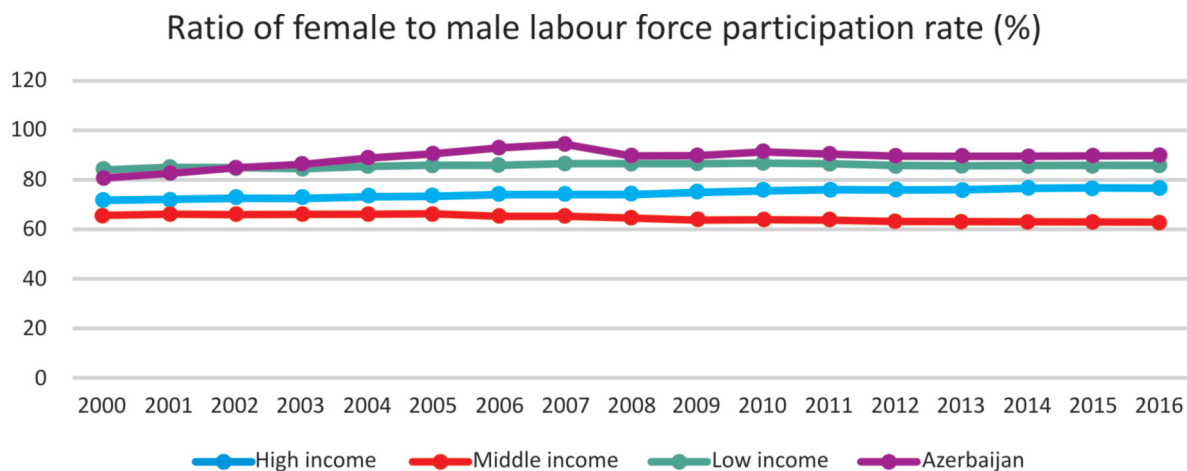


Figure 1. The ratio of women-to-men labour force participation (%) ¹³

workforce. Azerbaijan has a higher ratio of women-to-men labour force participation compared to the regional average (for low-, middle- and high-income countries).

The legal provisions for economic activity in Azerbaijan provide equal status for women and men. In the recent years, several measures taken by the government to boost private sector growth contributed to easing regulation and removing bureaucratic hurdles. For example, the “single window” principle for

business¹⁴, government-issued moratorium on business inspections (till 2021) and the use of electronic identification (ASAN Signature) for e-services in order to facilitate an easy access to government entities, establish transparent procedures and introduce faster paperwork processing for businesses¹⁵. In 2017, the Global Competitiveness Index assigned 4.7 points to Azerbaijan, thus moving the country up to rank 35th among 137 states.¹⁶

[13] *Gender Statistics, The World Bank, <http://datatopics.worldbank.org/gender/country/azerbaijan>*

[14] *A single entry for businesses to submit all regulatory documents required by the government*

[15] *For more information please see the Internet site of the Ministry of Taxes at <http://www.taxes.gov.az/index.php>*

[16] *Developed by the World Economic Forum the Global Competitiveness Index 2017-2018 measures conditions for sustainable economic prosperity and presents a framework and a corresponding set of indicators in three principal categories (sub-indices) and twelve policy domains (pillars) for 137 economies, http://reports.weforum.org/pdf/gci-2017-2018-scorecard/WEF_GCI_2017_2018_Scorecard_GCI.pdf*

The country scored well on the criteria of ease of starting a business, registering property and paying taxes. However, the country score registered lower on criteria for accessing credit, enforcing contracts and protecting minority investors. At the same time, in terms of time, cost and ease of navigating bureaucratic procedures, women and men entrepreneurs reported no differences.¹⁷

Overall, the last 5 years witnessed a significant growth of women owned businesses (the number of women entrepreneurs doubled in 2012 – 2017, reaching 143000).¹⁸ However, women still constitute a minority in the national business community.

Women tend to open businesses in agriculture and trade, while men entrepreneurs run companies across all economic sectors. Baku continues to lead among the cities with highest accumulation of businesses (including women owned enterprises). Overall, over the third of all women entrepreneurs (31.4%) in the country live in the capital. Among the regions, Ganja-Gazakh and Lankaran demonstrate higher share of women entrepreneurs compared to country average.¹⁹

The government recently strengthened its efforts to support women in the business community by addressing the needs of women-led businesses, helping women to start their own company, and showcasing the stories of successful business women using publicity campaigns. In October, 2017, women entrepreneurs, SCFWCA, the Ministry of Economy and the National Confederation of Entrepreneurs' (Employers) Organisations formed Azerbaijan's Association of Women Entrepreneurs.

Despite some significant milestones, progress towards gender equality in Azerbaijan faces a number of challenges. Many of these challenges (such as sectoral and occupational gender segregation, the disproportionate distribution of unpaid domestic work and gender-based discrimination in the workplace) are similar to those featured in the global trends in gender equality.²⁰ According to the World Economic Forum's Global Gender Gap Index, Azerbaijan scores highly in reducing the gender gap in educational attainment and health, but exhibits gender gap in empowerment (the extent of women's participation in decision-making) and smaller gap in economic

[17] World Bank. 2017. *Doing Business 2017: Equal Opportunity for All*. Washington, DC: World Bank. DOI: 10.1596/978-1-4648-0948-4. License: Creative Commons Attribution CC BY 3.0 IGO, pp 9-14

[18] Based on 2017 data collected nation-wide by municipalities for the SSC and SCFWCA

[19] The data provided by the State Statistics Committee as presented in http://www.xezerxeber.az/son_x%C9%99b%C9%99r/191001.html

[20] *Women at Work: Trends 2016, 2016*, International Labour Office – Geneva: ILO

participation and opportunities.²¹

Comparing these results to global trends, a similar story comes up: achievements in economic participation and opportunity lag behind impressive advancements in education and health (however, Azerbaijan's score in equal economic opportunities is higher than world average), while decision-making participation requires further progress.

The concluding observations of the Committee on the Elimination of Discrimination against Women (CEDAW) to Azerbaijan's fifth periodic report highlighted several structural problems hindering progress in closing the gender gap in economic participation and opportunities. Azerbaijan is characterised by "continued horizontal and vertical segregation in the labour market, whereby women are concentrated in low-paid and informal jobs; a wide gender wage gap."²²

The Committee called on Azerbaijan to "increase its efforts to encourage and support women's economic empowerment and entrepreneurship, especially among rural

women, including by providing access to credit, land and other resources and training in microenterprise development and management, and monitoring the impact of those initiatives on women." The CEDAW Committee noted that, within state-led efforts to achieve gender equality, rural women and displaced women represent vulnerable groups in need of special attention.²³

About the Study

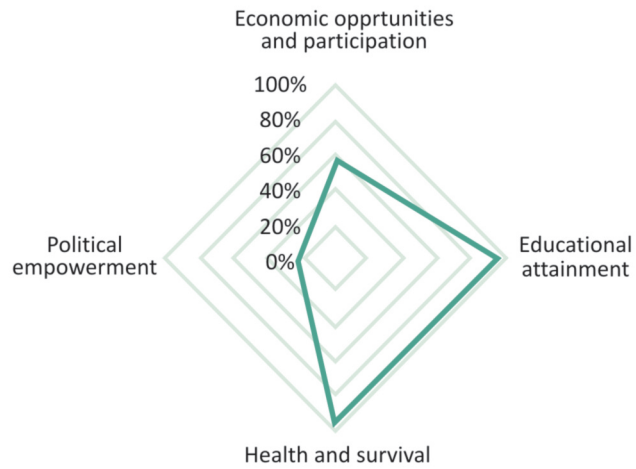
The Study was guided by the 'integrated approach' to sustainable growth, as presented in the SDGs and Azerbaijan's Roadmap for Strategic Development. The goal of the assessment is to produce an analysis, which can inform the efforts of the national government, private sector actors and civil society organisations working to promote women's economic empowerment. The study sets to identify and analyse the key barriers impeding the access of women and men to business opportunities, decent jobs and successful careers in the private sector. In addition, the research examined the factors facilitating the successful engagement of women and in private sector operations.

[21] *Global Gender Gap Index (introduced by World Economic Forum in 2006) measures national gender gaps on economic, education, health and political criteria, and provides country rankings to allow for comparisons across regions. For Global performance in 2017, please see <http://reports.weforum.org/global-gender-gap-report-2017/results-and-analysis/> Azerbaijan's country profile can be accessed at <http://reports.weforum.org/global-gender-gap-report-2017/dataexplorer/>*

[22] *CEDAW Committee: concluding observations on the fifth periodic report of Azerbaijan (2015), adopted at the sixtieth session (16 February - 6 March 2015) pp 9-10.*

[23] *Ibid.*

Global performance, 2017



Azerbaijan, 2017

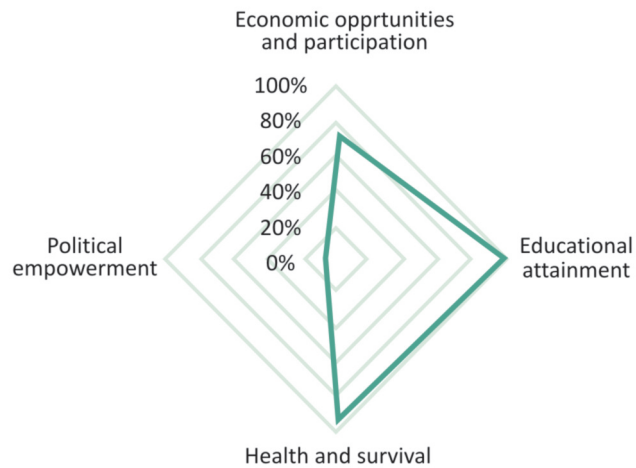


Figure 2-3. Global Gender Gap Index components, 2017

Box 1. In Focus: successful government programme to empower rural women

The multi-year Rural Women's Empowerment project, implemented by the State Committee for Family Women and Children's Affairs (SCFWCA) in partnership with UNDP, is a successful government-led programme, supporting women's rights and economic empowerment. The project combines measures to boost the economic empowerment of rural women with the building of mechanisms to boost women's participation in local development and social activism. As a result, dozens of women in five regions of Azerbaijan (Masally, Sabirabad, Neftchala, Salyan, Bilasuvar) launched small businesses, created networks and benefitted from training on business planning, financial literacy, life skills and computer/Internet use. The range of start-ups opened by project participants includes

agro-businesses, stores, bakeries, event organising and computers courses.

The project also opened a series of Women's Resource Centres, where women and girls gather to discuss community issues, enjoy free access to library, computers, Internet and attend classes. In addition, the project organises job fairs, prepares unemployed women for job interviews, and promotes collaboration between small businesses run by women entrepreneurs and large private companies. The project established a successful model of a business incubator, specifically designed for women in rural areas. Many women who started and developed local companies, come back to WRC to mentor newcomers, share insights and experiences.

The study developed a series of recommendations for addressing core obstacles impeding progress towards equal gender participation and opportunities in the private sector.

The Swiss Agency for Development and Cooperation (SDC), represented by the Swiss Cooperation Office in Baku (SCO) was the funding agency of the Study. The study also received fi-

ancial support from UNDP and UNFPA. UNDP acted as an implementing partner for the project, in partnership with the Women's Association for Rational Development (WARD). The study enjoyed the full support of the State Committee for Family, Women and Children Affairs (SCFWCA) and the Ministry of Labour and Social Protection of the Population (MLSPP).

Methodology

The data for the study was collected through a series of focus-group discussions (FGDs) and key informant interviews (KIs). Data collection began in November 2016 and continued through to May 2017, covered both urban and rural areas. FGDs and KIs took place in both Baku and other regions (namely, Khazar, Guba, Saatly, Shaki, Lankaran and Gabala). These regions were selected to reflect the diversity of socio-economic and cultural conditions across the country. FGDs took place in venues provided by the Support Centres for Women and Children (run by the SCFWCA) and local Executive Authorities. Two further focus groups in Baku were held at the office of WARD.

In order to compare the experiences and opinions of women and men with different employment status, and the type of engagement in the private sector, the study included FGDs with four categories of respondents: unemployed women; women waged employees working in the private sector; women entrepreneurs; and unemployed men. Having separate focus groups for unemployed men allowed the research team to compare the experiences of men and women seeking employment, and to identify specific gender barriers encountered by men. KIs covered a

further four categories of key informants: government officials (in decision-making positions in local Executive Authorities); banking sector representatives; women entrepreneurs; and men entrepreneurs from Baku and each of the selected regions. In total, data collection included 28 FGDs (242 respondents, 74% women and 26% men) and 28 KIs (28 respondents, 54% women and 46% men). Field-based data collection was supplemented by a review of national legislation and state policies addressing gender equality, economic rights, business development and employment.

Drawing on a large body of research on the gendered distribution of labour, the study used the concept of 'unpaid domestic work' (or "unpaid domestic labour") in order to highlight the wide range of tasks performed at home without remuneration. Unpaid domestic work covers such tasks as cooking, cleaning, washing clothes, fixing broken equipment or furniture, looking after domestic animals and responsibilities related to caring for family members (including children, elderly, disabled and sick).²⁴ Given that Azerbaijan's State Statistics Committee collects data on time used for paid and unpaid domestic work by men and women²⁵, the study was able to cross-check the results of the focus groups against the survey data.

Tools used for data collection included separate

[24] Swiebel, J. *Unpaid Work and Policy-Making Towards a Broader Perspective of Work and Employment*, Economic and Social Affairs, ST/ESA/1999/DP.4 DESA Discussion Paper No. 4, February 1999, <http://www.un.org/esa/desa/papers/1999/esa99dp4.pdf>

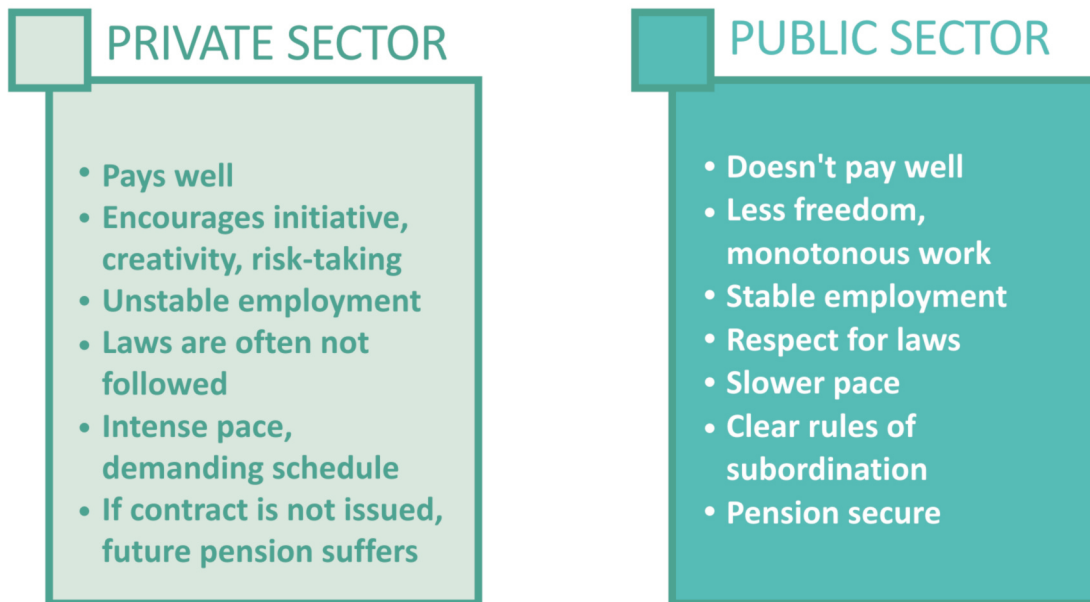


Figure 4. Respondents' views of public and private sector employment

scripts for FGDs for each of the four categories of respondents, and semi-structured interview questionnaires for the four categories of key informants (government officials, banking sector representatives, women and men entrepreneurs). In accordance with the study's goal and objectives, all research tools included sections dedicated to examining: the barriers to gender-equal participation in private sector operations; the 'facilitating factors' helping women and men to overcome gender-specific barriers; and the steps respondents expected from the government and private sector in order to improve the situation.

For data interpretation, the study used the human rights and gender analysis frameworks. The gender analysis framework highlighted specific characteristics of gender relations within families and communities that affect access to resources, information and economic opportunities. At the same time, the study used the 'integrated approach', envisioned in Sustainable Development Agenda, to highlight the connection between a certain gender order and the conditions impeding sustainable development.

[25] "Time use in Azerbaijan", 2008, survey, State Statistics Committee of Azerbaijan, https://www.stat.gov.az/source/gender/en/qk/007_12en.xls

Findings

The chapter consists of three sections. The first section ('Private and public employment: what do women and men want?') covers women and men's preferences concerning private and public sector jobs. The section identifies the key characteristics respondents commonly assign to private and public employment options, and explores the preferences of men and women in the world of work.

The second section ('Gender-specific barriers in accessing private sector jobs and starting a business') examines gender-specific barriers in securing private sector employment, pursuing a career and running a business enterprise. The discussion is broken down into further separate sub-sections covering barriers encountered by women and men.

The third section ('Factors facilitating successful business ownership and employment in the private sector: women and men perspectives') presents findings concerning the major factors facilitating the engagement of women and men in private sector operations.

1. Private and public employment: what do women and men want?

The transition to a market economy in Azerbaijan has been accompanied by fundamental transformations in labour markets. The country's labour force participation rate (LFPR) was climbing up since 2010 and in 2017 reached 68.6%²⁶ for women and 73.9 % for men²⁷, which is higher than regional and global averages. The private sector, non-existent under communist rule, has developed to play a significant role in national employment. In 2016, the share of people employed in the public sector in Azerbaijan constituted 24.6% of the employed population, while 76.4% worked in private sector.²⁸ The agricultural sector is the largest employer (37% of working population), which presents a structural challenge for national development, due to the sector's low productivity, low wages and small contribution to national GDP.²⁹ The last decade witnessed a decrease in the number of men employed in agriculture and a further increase in the number of women (42.1% of all employed women population in 2016).³⁰ At the same time, the share of self-employed people grew across all economic sectors.³¹ Among

[26] Labour force participation rate, women (% of women population ages 15-64) (modeled ILO estimate), data retrieved in March 2017, <https://data.worldbank.org/indicator/SL.TLF.ACTI.FE.ZS?locations=AZ>

[27] Labour force participation rate, men (% women population ages 15-64), (modeled ILO estimate) data retrieved in March 2017

[28] The State Statistics Committee of Azerbaijan Republic, Labour Market, 2016, www.state.gov.az

[29] Central Bank of Azerbaijan, Working paper, Labour market in Azerbaijan, 2016

women, being a self-employed agricultural worker is the important route for participating in the private sector economy. In line with global trends, in Azerbaijan's private sector companies women still constitute a small proportion of top managers.³²

Among waged workers, both in public and private sectors, women tend to work in lower-paying professions (for example, in education and social services), and are largely outnumbered by men in high-growth sectors like construction and mining (horizontal gender concentration).³³ There is also a high concentration of men in top decision-making positions in all sectors of the economy (vertical gender concentration) and all branches of government. Young people and women also constitute a majority among those in part-time employment.

The findings of this study shed light on the differing opinions about private sector employment among current and prospective employees. The findings demonstrate how the general perception of a 'private sector job' can cover a wide spectrum of drastically different working conditions, responsibilities and employment relations. While for some

participants, a 'private sector job' invokes images of modern offices, computers and generous employee benefits, for others the associations include running a small grocery store, working in retail without a contract, carpet-weaving in the quiet of one's own house, or farming under the burning summer heat.

Equally, the findings allowed the team to identify several characteristics which respondents commonly associated with private and public sector employment. It is important to note that, overall, **men and women tended to attribute the same characteristics to each of the two sectors. Gender-based differences surfaced when the discussion turned to the outcomes of working in private and public employment** and will be examined in the next section. Characteristic features of public and private employment, as described by participants in the study, are presented below.

When it came to choosing between jobs in the public and private sectors, many women respondents opted for public, while men commonly voiced a preference for working for wages in private companies. The option of starting one's own business was mentioned

[30] Data source: the State Statistics Committee of Azerbaijan Republic, Table 7.7 Distribution of employed population by economic activities and sex, www.state.gov.az

[31] Central Bank of Azerbaijan, Working paper, Labour market in Azerbaijan, 2016

[32] Azerbaijan Enterprise Survey, 2013, World Bank/EBRD, www.enterprisesurveys.org/nada/index.php/catalog/638/overview

[33] Data source: the State Statistics Committee of Azerbaijan Republic, Table 7.7 Distribution of employed population by economic activities and sex, www.state.gov.az

Box 2. ABAD Project

ABAD is a public legal entity run by the State Agency for Public Service and Social Innovations (ASAN) under the President of the Republic of Azerbaijan. Established in 2016 ABAD (ASAN Support to Family Business) carries out socially oriented projects, to support the development of small and medium entrepreneurship, specifically through assisting competitive family businesses across the country. The project runs a network of “ABAD” centres, which implement assistance projects for family businesses, engaged in the areas of arts and crafts, and agriculture. Using a “single window” principle ABAD centres also assist entrepreneurs with business planning, marketing, branding and design, financial accounting and legal assistance services. ABAD also issues certification of products, and arranges transportation and sales.

ABAD Project has a strong focus on supporting women entrepreneurs (especially women from vulnerable categories: single mothers, women with disabilities and IDPs). For example, in Shaki-Zagatala 57% of all beneficiaries are women of which 39% are IDPs. Many women, who benefitted from ABAD Project, run small businesses manufacturing local arts and crafts. There is a significant number of women-farmers among ABAD’s participants. A woman project participant from one of the Southern regions received new meat processing equipment and is currently manufacturing sausages and other processed meat products.

Based on written information received from SCFWCA and ABAD in June 2018

relatively rarely (apart from, naturally, in accounts by women and men entrepreneurs in KIs and FGDs).

Descriptions of the ‘ideal job’ suggested by some respondents in the course of FGDs revealed certain nostalgia for Soviet-style factory employment: stable, protected, strongly regulated, placing the employee within a large group of co-workers, and offering the employee social benefits. Younger participants

tended to look for the ‘ideal workplace’ in the present rather than the past, however they valued some of the same working conditions. Across the regions, ASAN³⁴ was repeatedly brought up as a particularly desirable employer, offering a modern, stable, well-regulated, ethical and comfortable working environment.

2. Gender-specific barriers in accessing private sector jobs and starting a private business

The study set out to examine gender-specific barriers encountered by women and men in the following areas:

- finding jobs in the private sector;
- working in private sector companies;
- starting a private business.

Overall, the findings confirmed the assumption that people's decisions concerning employment or starting a private enterprise are impacted by a variety of closely intertwined socio-economic and cultural factors. Some of these factors are common for men and women, and thus are not necessarily gender-specific. These include insufficient information about new vacancies, need for stronger support from local government to innovative projects, limited interest on the part of banks to offer loans for small business development, lack of information regarding low-interest loans to start a business, and the skills and education of prospective employees being unfit for labour market requirements. The study showed that respondents have more trust in public sector employment in comparison to private sector jobs. Many respondents voiced a strong sense of frustration with the way hiring

decisions are made **in some private sector companies**: lack of transparency, and nepotism were invoked by the respondents.

The study focused on identifying gender-specific barriers and analysing their impact on the participation of men and women in the private sector economy.

The study found a strong uniformity concerning gender-specific barriers i.e. obstacles encountered specifically by women or specifically by men, by all respondents. Opinions on key gender-specific barriers were relatively consistent across all regions, capital and provinces, and across all categories of respondents (unemployed, employed in the private sector or running a private business). This suggests that, in Azerbaijan, being a 'woman' determines the type of barrier one encounters to a larger extent than other factors such as place of residence, employment status or whether one owns a business or is a waged worker. **Regardless of where you live and what you do, if you are a woman you are likely to encounter the same specific set of obstacles, albeit at varying degrees of intensity.**

Women's **socio-economic status, employment**

[34] ASAN service centres are a part of the State Agency for Public Service and Social Innovation under the President of Azerbaijan Republic. ASAN service centres work to deliver public services in a uniform and coordinated way and assist the citizens by introducing fast, transparent, comfortable and ethical procedures in many interactions between public agencies and beneficiaries.



Figure 5. Different attitudes of women and men to time spent on paid and unpaid work

status and place of residence were also raised as important factors in dealing with gender-based barriers. The cross-analysis of FGDs demonstrated, for example, that women in Baku had considerably wider opportunities in terms of: vacancies available in the labour market; ways to find information about employment; and ways to access financial and educational resources. Also, those women entrepreneurs (in all regions) who already had a certain social status and economic opportunities, had better chances to travel for work and learn new skills, compared to unemployed women.

The main division in identifying gender-based barriers encountered by men and women was found in the differing responses given by women and men respondents. Among the respondents, men and women exhibited considerably different levels of awareness regarding specific gender barriers that affect the opposite gender. Women, overall, showed a good understanding of the barriers faced by men. Many women respondents expressed sympathetic attitudes toward the pressures experienced by men, who suffer from the burden of social expectations

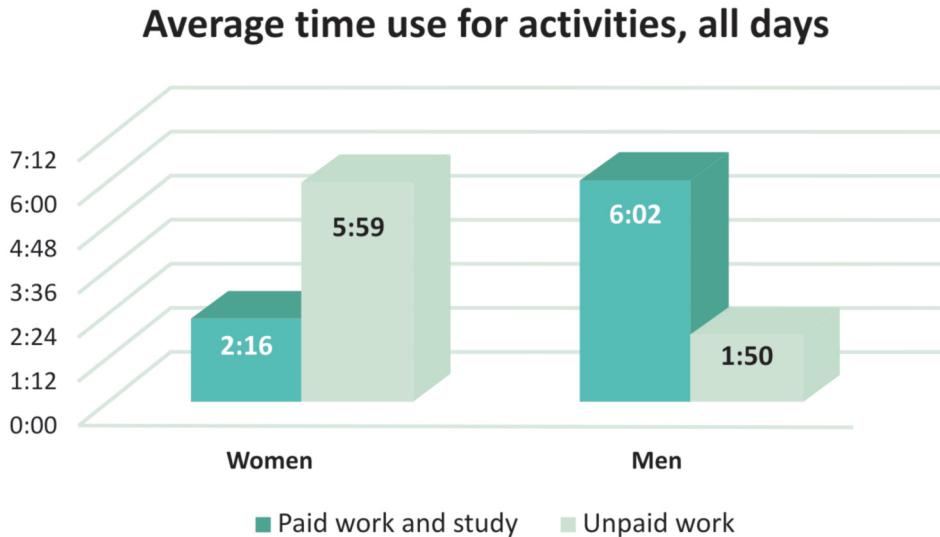


Figure 6. Average time used by women and men on paid and unpaid (domestic) work

that assign them the role of a sole or principle provider.

Men in most focus groups (and many KILs) had a hard time identifying any specific obstacles encountered by women who are seeking employment, working or running a private business. Some men expressed concerns about working women not being able to dedicate enough time to household chores. However, overall, the study revealed that men often assumed that women colleagues do not have to deal with any distinctive problems

different than those they face themselves. Given that men constitute a majority of those in decision-making positions, and the majority of business owners, such lack of awareness regarding gender-specific obstacles can be detrimental to building equal opportunities for all employees. It also contributes to low levels of family support for working women, an issue mentioned by many of the women respondents.

The lack of awareness concerning the gender-based barriers encountered by women can be related to a further finding. **Many men**

respondents considered income-generating work by women as a “barrier” for what they regarded as a woman’s main responsibility – reproductive labour (i.e. unpaid domestic labour and care for family members). Thus, any type of activity taking women away from their family responsibilities was described by these respondents as an undesirable obstacle for fulfilling a woman’s ‘natural’ duties. Younger men were more likely to insist that their wives or future wives should not work outside of home. The attitude was particularly striking given that all the men, who participated in discussions, were themselves unemployed and many discussed the economic hardships experienced by their families.

Respondents often spoke of their adherence to patriarchal family roles (the man being the main provider and the woman being the main caregiver in the family) and justified it as the ‘natural’ inclination of women and men. The study demonstrated that many men and some women based their judgment of barriers faced by the opposite gender on the ideal of patriarchal distribution of roles in a ‘family’.

In this setup, men are responsible for providing income, and women for taking care of (unpaid) housework and care. In this picture, women are closely tied to the private sphere of home, have more limited channels for social engagement (compared to men), and are regarded with suspicion when they venture into public spaces (including work places). They are also expected

to carry full responsibility for household chores. This final expectation remains unchanged for women who work outside of home, or who are involved in agricultural production on their own land. When they are fulfilling these domestic/care duties or working on family land, women do not receive direct remuneration, and thus are dependent on men relatives for their daily subsistence and life savings, which, at times, results in limited access to decisions regarding finances.

However, it is important to note, that **despite some general statements, the majority of respondents (men and women), did not in practice consistently support such a rigid division of gender roles.** The nuclear family, with a rigid patriarchal distribution of roles, is a fairly fragile system, where money has one primary channel (the man’s income) of entering the family budget. In a volatile economic situation, such a system provides very little cushioning for families to moderate the effects of sudden unemployment, a salary cut, or the death or health problems of the main provider of funds. **This study demonstrates that, despite fairly visible ‘lip service’ paid to patriarchal ideals, both men and women demonstrate social flexibility and are working out strategies to adapt their families to the changing economic and social environment (job losses, rising consumer prices, migration to urban areas, etc.) and to boost their resilience in the face of economic challenges.** For example, one man participant told of how he was initially opposed to his wife

working outside the home. However, after several months of unemployment, he was ready to accept that she may find a job and become the main provider for their family. A similar story was related by a woman participant from the Khazar region. She told of her ailing father, who after years of denying her the opportunity to work outside of home, was now supportive of her employment aspirations. Of course, such a late realisation deprives women and girls from gradually accumulating professional skills and experience, and often throws them into the labour market utterly unprepared.

2.1. Gender-specific barriers encountered by women

The discussions highlighted a number of gender-specific factors, limiting woman's ability to find employment, build a successful career in the private sector, or run a thriving business enterprise in Azerbaijan.

The full burden of household responsibilities faced by women consumes a large share of time and energy for most, and is not altered if a woman engages in money-generating activities. Women participants related that their household responsibilities consume a lot of time and

therefore make it extremely difficult to combine working outside of the home with domestic labour and care duties. As a rule, household responsibilities are not redistributed between spouses, regardless of whether women work outside of the home full-time,³⁵ part-time or are unemployed. Women are often expected to be responsible for the full workload of reproductive labour.³⁶ Given that private sector work is regarded by women (and men) as particularly demanding, unemployed women frequently stated that it would take a very hard toll on them to work in the private sector: "If I work there, consider my marriage over!"; summarised a woman respondent from Saatly. Thus, many women prefer public sector jobs, despite the fact that they are perceived to on average pay less than private sector employment.

Women already employed in private companies gave accounts of how they often felt exhausted and have to rely on help from their mothers or mothers-in-law. Significantly, when men were asked which of the household chores carried out by their wives they would be willing to perform, men respondents had a very hard time identifying even a single one. Subsequently, women cannot afford regularly working long hours and often have to decline opportunities for work-related travel due to family obligations and restrictions. For women,

[35] *The situation also does not change if a woman works from home to sell goods or services (baking, tutoring etc.)*

[36] *Reproductive labour is an unpaid work necessary for proper functioning of families and societies.*

who have to combine paid labour and unpaid domestic work, chances to enroll in after-work professional education and networking are also slim. As a result, **women are at a disadvantage compared to men colleagues when it comes to getting promotions.**

Women entrepreneurs described a further negative outcome of having to deal with the barrier generated by their unpaid domestic workload. When dealing with bureaucratic hurdles, they cannot dedicate as much time to it as do men entrepreneurs. *“You have to have time to fight it, but what do you do if you need to be home with your kids?”* asked one of the focus group participants.

The nationwide statistical time-use survey data supports these findings.³⁷ On average, women in Azerbaijan spend three times the amount of time as men doing unpaid domestic work. Men, on the other hand, perform paid work for three times longer compared to women. Once again, Azerbaijan echoes a globally prevalent pattern: **the workload of unpaid domestic work is unequally distributed between women and men.**³⁸ The data reflect a gendered division of responsibilities. However, this particular allocation of time dedicated to paid and unpaid

work by women and men, as was evident from the study, maintains and reproduces gender-unequal access to financial resources, public spaces, social networks, opportunities and decision-making.

The insufficient coverage of public infrastructure supporting family life in Azerbaijan (of most concern, public kindergartens) was noted by many women as a major barrier to seeking employment in the private sector. The problem affected women entrepreneurs as well: *“my child goes to this kindergarten, and it is in the city centre. It is really hard for me to rent an office nearby, however, I have to do it because that is the only option I have,”* related a beauty salon owner from Gabala. The problem highlights a necessity for further investment in family support infrastructure, including a support from private sector actors. Focus group participants related that private facilities are prohibitively expensive. It is important to note that the Azerbaijani government is currently strengthening efforts to improve public provision of pre-school education.³⁹ In 2014 private childcare facilities received a 10 year-long tax exemption.⁴⁰ In February, 2018, 19,577 million manats were allocated by the Presidential decree for

[37] The chart is based on the data generated by the national time-use survey by the State Statistics Committee, Table 7.12 “Average time use for activities”, www.state.gov.az

[38] According to ILO, in 2016, in “both high and lower income countries, women continue to work fewer hours in paid employment, while performing the vast majority of unpaid household and care work”. *Women at Work: Trends 2016, 2016*, International Labour Office – Geneva: ILO, http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_457317.pdf

construction of new pre-school childcare facilities in 15 locations across the country. Certain vulnerable categories (among them, children of student mothers, children of single working parents, children with disabilities and children of Garabagh war veterans) were granted preferred access to public childcare facilities.⁴¹

Respondents in Baku had a wider choice of options for childcare facilities, compared to respondents in the regions.

These concerns are supported by statistical data. Coverage of pre-school educational facilities in Azerbaijan is still insufficient, reaching less than 14 percent of all children between the ages 1 and 5 (Figure 7). As shown in the chart below, there is also a significant gap between urban and rural areas.

Women tend to describe public sector employment as stable and well-regulated. In contrast, private sector employment is regarded by many women participants as

poorly regulated, unstable and violating the rights of working women with impunity.

There was a significant difference in the way respondents described well-established large private sector companies with head offices located in the capital, compared to the rest of the private sector. A handful of large companies have a good reputation as employers, but overall opinion on the private sector was far from positive. Some respondents contrasted private sector to public sector jobs, with the latter regarded as better regulated in accordance with existing laws and considerably more stable.

“Private sector companies force you to work late, work on weekends and work on holidays with no warning and no compensation.” – stated a women waged worker, employed in the private sector in one of the regions.⁴³ Given the double burden of responsibilities (home and work place) carried out by women, working long hours exacerbates an already critical lack of time and energy.

[39] In 2016, the Cabinet of Ministers adopted Decree N 271, On the issues concerning the organisation of pre-school education, which aims to increase the coverage of 5-year olds with pre-school education to 90 percent by 2020. The Law on pre-school education (adopted on April 14, 2017) outlines the main directions for a large-scale reform of education for children age 1 to 6, including the creation of community-based and family-based educational facilities. (for more information, please, see <http://www.president.az/articles/24248> and <http://edu.gov.az/az/page/255>)

[40] <https://www.president.az/articles/10945>

[41] The decision № 16 of the Cabinet of Ministers of Azerbaijan on the approval of the "Admission Rules for Preschool Educational Institutions", Baku, January 19, 2018, <http://www.e-qanun.az/framework/37725> (last accessed on 06.27.2018)

[42] Data source: the State Statistics Committee of Azerbaijan Republic, Table 001_2.1-3en.x, State preschool educational institutions (at the beginning of the year), <https://www.stat.gov.az/source/education/?lang=en> (last accessed on 6/27/2018)

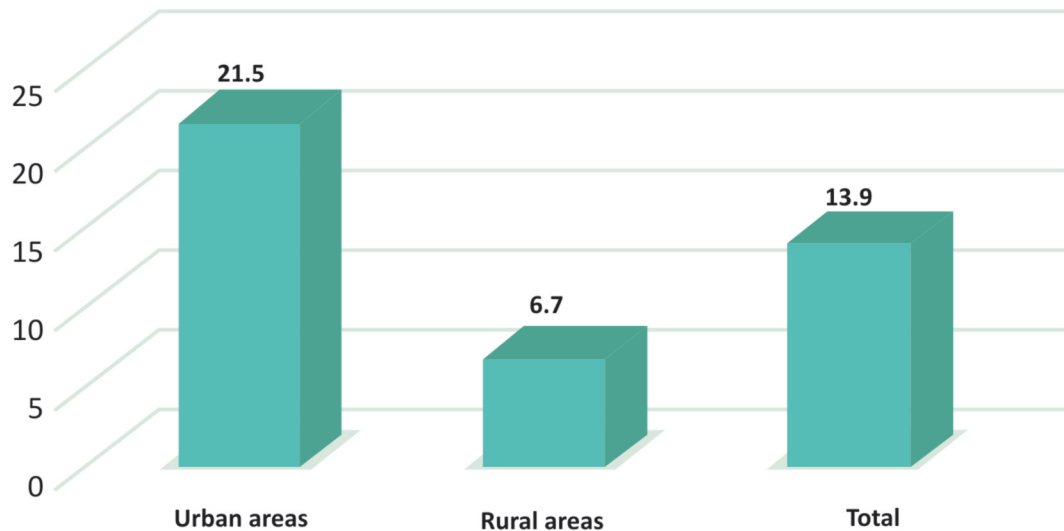


Figure 7. State pre-school educational institutions (at the beginning of the year), 2017⁴²

Mistrust of private sector (often small and medium) employers is not limited to time-related concerns. **Women in all regions spoke of how, despite better wages, some private sector employers make them feel unprotected and vulnerable to the whims and pressures inflicted by employers.** “You dare to ask for a day off when your child is sick, the next thing you see is that you are fired!”

related a private sector employee. Women respondents tended not to apply to the established mechanisms for defending their rights, such as courts or trade unions.

Private sector companies are widely believed to offer informal employment and avoid following laws, even when employment is formal. Azerbaijan has a sound legislative base for

[43] Similar reports came up in a number of focus-groups. The actions described constitute a violation of workers’ rights as guaranteed by the national Labour Code, (section 2, article 9) and a violation of maximum working hours per day and week (Labour Code, section 13, articles 89-91), <http://www.e-qanun.az/code/7>

Box 3. The Labour Code of Azerbaijan Republic grants

1. Paid maternity leave, till child is 3 years old, with ensured return to the same position, free from the job attestation for a year (Labour Code, article 66)
2. Mothers of children 3-14 years old, and children with disabilities can only be engaged in working after-hours, working on weekends, national holidays and non-working days and sent on business trips if women give their permission. (Labour Code, Azerbaijan, X, 37, article 240-246)
3. Employees, who are single-parents with two or more children under 16 as dependents can't be subject to staff reduction. (article 78)
4. Employer can't terminate a contract if: woman is pregnant or has a dependent child under 3 years of age or with a single-parent with children under the school age.
5. Working time should not exceed 36 hours a week for pregnant women and women with children under 1.5 age.
6. Women with 2 children under 14 years and those with 3 children under 14 or a child with disability under 16 years of age, are granted additional leave of 2 and 5 calendar days, respectively. (Labour Code, article 177)
7. Maternity leave in agricultural production 140 calendar days if normal childbirth (70-70), 156 calendar days if difficult birth, 180 if 2 or more children born. (Labour code, article 125)

In addition, the Criminal Code of Azerbaijan, article 164 assigns a fine of 2000-3000 manats for the elimination of labour contract (with no justification) of working pregnant women, women and men (single parents) with children of 3 years of age and younger.

protecting the rights of working women (see Box 3). However, when asked which of these provisions are followed by the private companies, women in all focus groups stated that some private sector entities commonly do not follow these laws (with the exception of some well-established large companies). Significantly, many men respondents shared this perception.

The study found that having **sound legislative**

protection of working women's rights in place can, in fact, at times, make it harder for newly married women to find a job in the private sector. According to women respondents from all categories, some employers in small private companies avoid hiring newly married women, because they do not want to provide paid maternity leave (formal employment), look for a substitute (informal employment) or allow mothers of

small children to take time off work if a child gets sick. Questions about pregnancy or marriage plans are asked during job interviews, and are believed by most respondents to negatively impact the chances of women candidates. It is important to note, that such treatment violates the Article 7 of national Law on the Guarantees of Gender Equality (Equality between Men and Women), which prohibits unequal treatment in employment.⁴⁴

Significantly, the study revealed that small business owners are ready to admit that hiring young married women constitutes a concern for them. Small business entrepreneurs told the researchers that paying a substitute staff member, while at the same time providing paid maternity leave to another staff member, is costly and puts them at a disadvantage compared to competitors. Women entrepreneurs struggle with the issue as much as their men counterparts. *“Factories or large companies have to cover maternity leave. They should do it, of course... Small businesses simply can't do it. We do not have a line in our budgets to cover it, so it is out of question”*, related a woman entrepreneur from one of the regions. The situation needs further research and requires a nuanced solution, taking into

consideration the challenges faced by all sides.

Sexual harassment in the workplace all over the world predominantly targets women. In the European Union (EU), between 40 and 50 percent of women experience unwanted advances, physical contact or other forms of sexual harassment in the working environment.⁴⁵ **The study revealed that fear of such harassment in private sector employment was common among women respondents.** It also was often stated as the reason families object to women working in private companies. The Law on the Guarantees of Gender Equality requires employers to take measures in order to address the issue (Article 7). However, according to some respondents employers often fail to address it in a systematic way (through internal policies and mechanisms) and the victims have no option other than to quit.

In some communities working for certain type of private business (specifically, resorts and hotels) is associated with reputational stigma for women and is a risk that women are not willing to take. This stigma is pervasive and extends to women in the positions of power as well as some men workers. A woman

[44] *The Law on the Guarantees of Gender Equality (Equality between Men and Women, Azerbaijan Republic, 2006*, <http://www.e-qanun.az/framework/12424>

[45] *Directorate-General for Employment, Industrial Relations and Social Affairs, 1998, “Sexual harassment at the workplace in the European Union,” p. iii, Brussels, European Commission. Cited in UN General Assembly, 2006, “In-depth Study on All Forms of Violence against Women: Report of the Secretary-General,” A/61/122/Add.1, p. 42, New York.*

entrepreneur from one of the regions brought it up as the reason she does not hire men employees – an example of gender-based discrimination against men workers, caused by restrictions imposed by public opinion and the prevailing culture on the activities of women entrepreneurs. In contrast to women, men respondents, were clearly less prepared to discuss this subject publicly, however acknowledged the problem.

When public opinion resorts to victim-blaming women can at times encounter gender-based discrimination and prefer to keep silent about traumatic experiences. In most discussions among women respondents, some share of participants expressed opinion that a woman's style of dressing and acting justifies harassment at workplace. In a rare instance of an alternative approach to the issue, unemployed women from Guba and private sector women employees from the Khazar region stated that all women workers should join together and support the victim. *"When women get together, they are a great power!"* said one woman respondent from Guba.

Inadequate skills and qualifications, when they make an individual unfit for the requirements of the current labour market, generate a significant barrier for both men and

women. However, the study revealed that **the narrow scope of educational fields pursued by girls further restricts their employment options in the private sector.** At the same time, it is important to note that socio-economic changes in the country contributed to a significant increase in interest to technical and business-related fields of education among female students. In the last 8 years, number of female students choosing "economics and management" increased 8.5 times, while the number of female students selecting "engineering and technology" went up 6.6 times.⁴⁶ In the labour market (by economic sectors) number of women engaged in insurance and finance sector went from 4328 in 2005 to 8278 in 2016. A number of women in science and technology professions grew almost twice between 2005 and 2016 (from 14811 to 25386).⁴⁷ **Parents commonly play a strong, decisive role in a girl's choice of vocational or higher education.** Girls are sometimes strongly encouraged by parents to select a field based on limiting considerations concerning a "suitable" job which is a) "appropriate for women" ('teacher' being the most common), and b) allows women to perform a full workload of family responsibilities. Some women respondents related numerous stories of dreams crushed by parental decisions. *"My family never let me follow my dream of becoming a police officer"*, revealed a

[46] Data source: the State Statistics Committee of Azerbaijan Republic, Table 1.8.7 and Table 2.8 <https://www.stat.gov.az/source/education/> and <https://www.stat.gov.az/source/labour/> (last accessed on 17.07.2018)

[47] *Ibid*

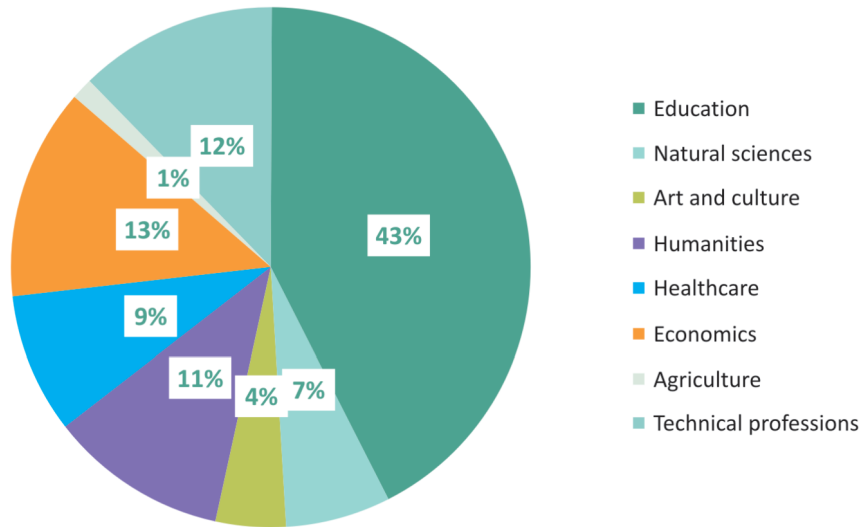


Figure 8. Percentage distribution, female students (higher education, public educational institutions)⁴⁸

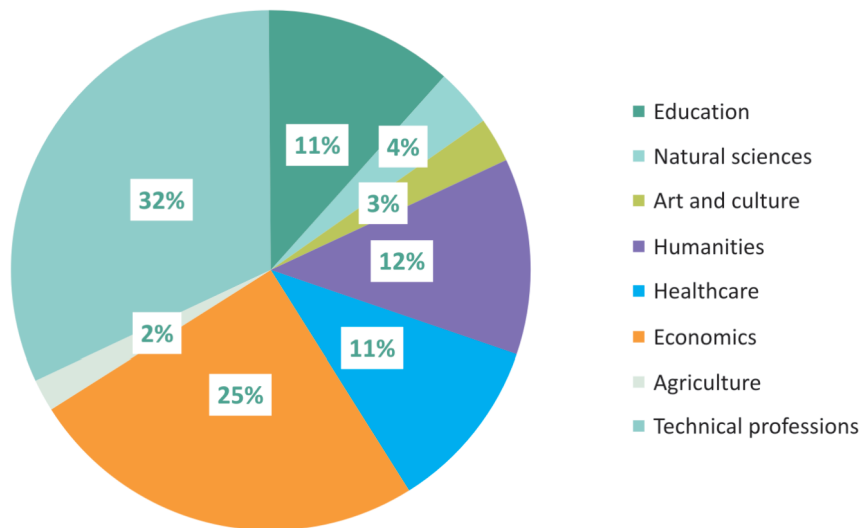


Figure 9. Percentage distribution, male students (higher education, public educational institutions)⁴⁹

woman respondent from Saatly. Another respondent related how her desire to become an engineer was rejected by both of her parents as “inappropriate for a girl.”

There is no doubt that such limitations depend significantly on the educational level of the parents in question, on family history, the urban or rural status of the family and other factors. As it was demonstrated earlier, **there is a strong positive trend in girls’ entering the educational fields of economics, management, science and technology.** However, national statistical data demonstrates that a highly significant share of girls (43%) still tend to choose “education” a field with skills applicable in a fairly narrow segment of private sector jobs. Data also demonstrate that boys have a more diverse range of educational choices (see Figures 8 and 9), with a large share studying economics and management (25%), technical and technological fields (32%), learning skills applicable to a wider spectrum of private sector jobs. It is important to note that Baku residents reported better access to professional courses, while women respondents from the regions related that the number of basic courses, such as computer literacy or foreign languages, is insufficient, given a high demand.

Cultural stereotypes of ‘men’s and women’s

work’ present a further barrier frequently invoked by both women and men respondents. Cultural limitations continue throughout a woman’s life cycle. According to numerous accounts, women’s decisions concerning employment in the private sector are strongly influenced by cultural norms regarding the types of labour and places of work suitable and appropriate for men and women. Working hours, the nature of responsibilities, the presence of men work colleagues and proximity to men customers are only a few of the many factors cited by families and communities to mark an employment opportunity or promotion as “unsuitable for women”.

The various occupations falling under the category of ‘women’s work’ (*‘qadın işi’*) normally combine four key characteristics (please, see Figure 10).

Subsequently, jobs that do not exhibit these features are often defined as ‘men’s work’ and are deemed inappropriate for women. Some focus group respondents in Guba said that they would never work in large hotels, because it involves dealing with men customers and is ‘men’s work’. Tracing money owed by debtors was also regarded as “tough and, hence men’s work,” by a bank manager in another region.

[48] Data source: the State Statistics Committee of Azerbaijan Republic, Table 3.9. “Distribution of students of state higher educational institutions at the beginning of 2016-2017 academic year, (Numbers and sex distribution, as % to total)”, www.stat.gov.az (last accessed 27/06/2018)

[49] *Ibid.*

Other jobs, such as managerial positions or working as a waitress, hostess or as a chef in cafes and restaurants, generated diverse opinions and caused debate.

The study outcomes revealed that, when it comes to employment, **men also suffer from gender stereotypes, based on traditional distribution of gender roles.** For example, when, contrary to traditional gender roles, women perform the function of 'provider' typically assigned to men family members; therefore, men sometimes are subjected to

ridicule by their peers.

The study demonstrated that cultural norms regarding 'women's work' limit employment opportunities for women. However, clearly, **cultural conventions regarding 'women's work' are currently in flux. Mainstream opinion changes depending on the region, urban/rural residence and education.** For example, focus group respondents in Baku encounter more flexible public attitudes compared to respondents in the regions. The study showed that, across a range of locations,

Allowing strong compatibility with a woman's unpaid labour (i. e. jobs that allow time for women to complete all domestic chores - teaching at school is an example of such job);

Reinforcing restrictions on women's mobility and further tying women to the private sphere of home (for example baking, baby-sitting, carpet weaving, tailoring and tutoring);

Control over female sexuality (jobs in women-dominated workplaces, such as kindergartens; jobs with a very limited contact with the opposite sex, for example a sales assistant in women's clothing store);

Maintaining the patriarchal ideal of 'feminine qualities' (ie. jobs, that reinforce stereotypically 'feminine' characteristics, such as being patient, maternal, tidy, caring and healing).

Figure 10. Key characteristics of 'women's work'

respondents often bend and renegotiate these norms in their communities. For example, women who own businesses engage in negotiations with men customers and sub-contractors on a daily basis. Women who are involved in the shuttle-trade business, for example, travel abroad to purchase goods for sale. Similarly, women working in banking and retail are expected by their employers to deal with both men and women customers.

Cultural conventions regarding specific examples of ‘women’s work’ differ in rural and urban areas and even within a single group of respondents, opinions often clash. For example, one woman entrepreneur from Gabala explained that she hires men as accountants, because she is used to seeing men accountants in local offices. However, in the focus groups from other regions, accounting was mentioned among those occupations which are ‘suitable for women’.

Women focus group participants in Saatly, Baku and Shaki emphasised that economic need leads to greater flexibility and acceptance of various employment opportunities on the part of families. The example of waged seasonal labourers (as related by one woman entrepreneur from Saatly) highlights how cultural rules are reinterpreted to support family survival strategies. Young women, whose families are

adamant about not letting them circulate in public places such as parks or libraries, are allowed to work in the fields picking cotton alongside men truck drivers. This flexibility in norms points to an important hierarchy of gender-specific limitations and confirms that they change in line with external factors.

Mobility and restricted access to public spaces is another significant barrier that women often encounter while looking for jobs. The barrier is both cultural and infrastructural, and particularly affects women in rural areas. Public opinion in some rural areas disapproves of women who travel far for work. In some communities, travelling alone is considered inappropriate for rural women of reproductive age, while women of post-reproductive age are often not restricted. Overall, limitations on travelling outside of the home most often come from husbands. This finding supports the pattern of controlling behaviour previously identified by the National Survey on Violence against Women: 53% of ever-married women covered by the survey reported that “their husband or partner insisted that they should seek his permission to leave the house.”⁵⁰ Thus, women’s choice of employment often depends on limitations imposed by families with regard to distance to prospective workplaces and means of transportation. “Close to home” was one of the criteria repeatedly listed by

[50] *The State Committee for Family, Women and Children’s Affairs and UNFPA, National Survey Report on Violence Against Women in Azerbaijan 2008, p. 24*

women in descriptions of jobs they would prefer to have. In addition, there is further need to strengthen public transport options. In some rural areas respondents have a hard time reaching jobs in the regional centre, even when they are ready to apply.

The study highlighted that **cultural expectations of “feminine qualities” in women employees, is used by some private company owners to extract additional labour and restrict the ability of women workers to argue their point, preventing them from challenging unequal treatment.** For example, in some private sector enterprises women workers are requested to clean the venue in addition to their formal work responsibilities (*“because women are tidy”*). Another instance described by several private sector employees is related to the expectation for women to avoid direct conflicts. Women staff members are expected to keep quiet when dealing with an upset boss (normally a man). They also face public disapproval when raising their voices, in contrast to men colleagues. Overall, women employees related that women’s “patience” is often used by private sector bosses to verbally abuse them with impunity. “Women are supposed to be patient and endure things no man would ever endure!” said one woman respondent from Lankaran. **Such treatment prevents some women from**

seeking employment in private businesses, where they believe such behaviour to be more widespread and much tougher to resist than in the public sector.

In many countries age-based discrimination in employment affects both men and women.⁵¹ The study revealed that **both women and men routinely face age-based discrimination in accessing jobs in the private sector.** Employers follow an unspoken rule, which deems people in their late 30s and over to be a non-desirable category for employment. However, while the upper age margin for men was 40 years old, women were rejected for being 35 and older. This practice is illegal in Azerbaijan,⁵² however, such a position is often verbally stated by employers during the initial stages of a job application. Paradoxically employers decline to hire women after 35, however, they simultaneously try to avoid young newly married women. Some employers complained during interviews that they cannot afford women employees of reproductive age constantly having to take time off work because of pregnancies, child birth and childcare. However, some employers were purposefully not looking for prospective employees among women over 35 years old.

Gender stereotypes play a significant role in hiring decisions made by some private sector

[51] For example, in 2017, the US Equal Opportunity Commission registered over 84000 charges connected to age-based discrimination in employment <https://www.eeoc.gov/eeoc/statistics/enforcement/charges.cfm>

[52] Labour Code of Azerbaijan Republic (1999), article 16.1

employers. “Attractive looks” constitute a gender specific requirement applied by some employers to women job applicants⁵³. This practice was considered by most women respondents as unfair and humiliating. Discrimination in hiring based on appearance is a violation of Azerbaijan’s Labour Code and the Law on the Guarantees of Gender Equality.⁵⁴

Men respondents in Baku believed that gender stereotypes promoted in advertisements, hiring practices which favour attractive young women, and the instances of harassment of women in a workplace, represent different sides of the same phenomenon – gender-based discrimination.

The study revealed a significant gender gap in access to knowledge, financial resources and information about programmes supporting business development. National legislation grants equal rights to women and men to own property, take out loans, receive credit and start a business. However, due to non-legal obstacles, women tend to find it harder to start a business compared to men. According to women respondents in all regions, women are tied up in unpaid domestic labour and often are working in low-paying jobs. Subsequently, they are more likely to have smaller pensions and lower amounts of savings,

and also have fewer resources they can invest or offer as collateral to secure a bank loan. The challenge posed by difficulties in accessing bank loans to start or expand a business was mentioned by the majority of women entrepreneurs.

The transition from reproductive work (such as unpaid domestic work) to business can particularly be financially challenging for women. Women who are not formally employed or are employed part-time have very little chance of getting a substantial loan for a business start-up. “*For a housewife to get a bank loan is extremely hard, because banks expect evidence of a stable salary*”, told one woman entrepreneur from Gabala.

Compared to men, women tend to be less involved in managing monetary transactions in family businesses and thus can lack basic financial knowledge compared to men. A 2006 Demographic and Health Survey found that among ever-married women aged 15-49, 50.8% reported that their “*husband does not trust them with any money*.”⁵⁵ Basic business training and knowledge about the opportunities for women entrepreneurs was also at a very low level among women across all regions.

[53] Similar problems were documented for many countries across the globe. For example, research in Ukraine registered cases of mixed appearance/age-based discrimination specifically affecting women. Please, see *Human Rights Watch: Women’s Work – Discrimination Against Women in the Ukrainian Labour Force, August 2003, Vol. 15, No. 4 (D), p. 3.*

[54] *Labour Code of Azerbaijan Republic (1999), article 16.1, the Law on guarantees of gender equality, article 10.1*



Figure 11. Barriers men do not have to overcome as employees.

[55] State Statistical Committee (SSC) [Azerbaijan] and Macro International Inc. 2008. Azerbaijan Demographic and Health Survey 2006. Calverton, Maryland, USA: State Statistical Committee and Macro International Inc., p 217

The interrelated issues of unpaid domestic work, unstable employment, minimal savings and lack of financial literacy and basic business training, prevent many women from becoming entrepreneurs. National statistical data support these findings. For example, a significant gender gap exists among entrepreneurs in the agricultural sector. Women are lagging behind men in the use of financial credit, equipment and fertilisers (when it comes to farmers).

Azerbaijan's National Fund for Entrepreneurship Support (under the Ministry of Economy) lists women as one of the vulnerable groups (along with "youth" and "refugees") eligible to receive low interest state loans for business development.⁵⁶ Despite the effort, in 2017 the share of women entrepreneurs receiving low-interest state loans was small compared to men (280 women out of 1953 entrepreneurs overall). Women entrepreneurs received 6.6 million manats in low interest loans and created 563 new jobs.⁵⁷ In addition, the Fund allocated loans for women entrepreneurs in remote and mountainous regions and women IDPs helping them to build agro-businesses. Unfortunately, the awareness

of the programme was low among respondents in all regions covered by the current study. Only two participants in one focus group (women entrepreneurs from Lankaran) had heard of the loans offered to women by the National Fund.

To support the increase in women's access to knowledge, skills and resources necessary for starting business, the government is in the process of introducing activities outlined in the Strategic Roadmap on production of consumer goods in Azerbaijan at the level of small and medium-sized enterprises. The Roadmap includes a section specifically dedicated to supporting women-entrepreneurs (section 7.44, Priority 4.4).⁵⁸ The Roadmap covers the introduction of business incubators for women-owned start-ups, offering informational support for women entrepreneurs, designing stimulating mechanisms and facilitating the development of women's professional associations. The Roadmap implementation started in 2017.

[56] "Directions of the use the funds of National Fund for Entrepreneurship Support"

<http://anfes.gov.az/az/pages/2815fbc0-1f2c-11e0-abe4-2f80f755c2ce/Guzeshtli-kreditlerin-verilmesi-istiqametleri.html#submenu>

[57] *Annual Report of the National Fund for Entrepreneurship Support, 2017*, pp 21, 26-27, http://anfes.gov.az/files/Hes_2017.pdf (last accessed on 27/06/2018)

[58] For the full text of the Strategic Roadmap (*Strategic Roadmap for the manufacture of small and medium entrepreneurship-level consumer goods in the Republic of Azerbaijan*, 6 December 2016), please, see <https://president.az/articles/22197> (last accessed on 28/06/2018)

2.2. Gender-specific barriers encountered by men

Men and women respondents demonstrated a drastically different level of awareness about gender-specific barriers they faced. Women respondents in all categories repeatedly invoked restrictions in access to jobs, promotions, resources and opportunities, and emphasised that they encountered such barriers specifically because of being women. Men respondents rarely described any of the obstacles they faced as being caused as a consequence of their gender. Women were fully aware of the additional burden generated by gender-specific barriers and often strongly criticised it. Men commonly attributed all barriers to gender-neutral causes (corruption, nepotism, scarcity of jobs, economic volatility, etc.)⁵⁹ and considered work-related challenges universal.

Men respondents (similar to women) considered private sector jobs to be unstable and large segments of private sector workplaces insufficiently regulated. They stressed that finding a well-paying job in the private sector is based on non-transparent process and often tied to having personal connections. Men in all regions emphasised

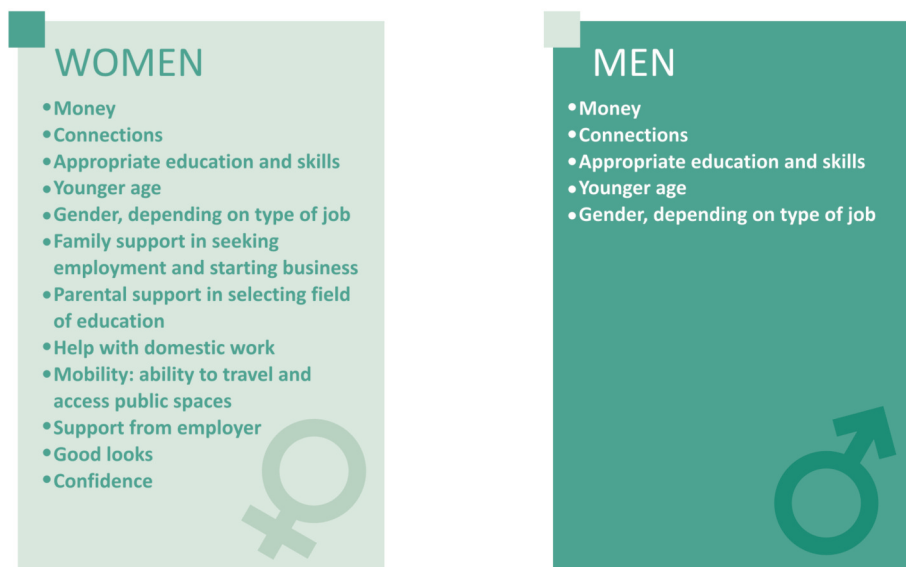
that employers in the private sector often demand extra hours of work without offering compensation. Some employers in private companies offer no contracts, so employees protesting working conditions often end up simply losing their jobs.

The study showed that for both unemployed men and men entrepreneurs, the cultural expectations of a man as his family's sole or primary income provider is strong and mostly goes unquestioned. Men respondents consistently invoked one key characteristic of a good job - it ensures that a man covers all basic needs of his family. This duty was described by most men from all regions as unshared, meaning that men do not expect their wives to contribute an equal or higher share of family income to the household. The emotional burden and economic responsibility attached to men by such arrangement is high. Significantly, this perception does not notably change even when men are unemployed. Men respondents who remain unemployed for a long period continue to define their key responsibility as "providing money for the family", and did not mention any responsibilities related to care or domestic work.

The gender role of "sole/principle money provider" forces some men to avoid low paying

[59] The difference also reflects a historical development of gender roles in Azerbaijan. Through its early 20th century modernity and Soviet modernisation Azerbaijani society accumulated a vast experience of analysing, debating and accepting changes in women's social and economic positions and cultural roles. Profound transformations that happened to Azerbaijani men were not a subject of such intense public scrutiny and deliberation.

Figure 12. Factors facilitating successful business ownership and employment in the private sector: female and male perspectives



jobs in the private sector. For example, men from Shaki explained that there was little point in applying for jobs which pay 100 manats or less, since such a salary will not cover even the basic needs of their household. However, other men respondents stressed that they will accept any job, in the formal or informal sectors, regardless of working conditions, because they have to feed their family and pay the bills.

The study revealed that age and gender can generate barriers for men in accessing certain private sector jobs. Men in all regions repeatedly told us that private sector employers prefer to hire people below 40 years old. "They do not care about your experience if you are older than 40," one respondent from Lankaran said. According to respondents, age-based discrimination is common in private

sector hiring, and leaves men in their early forties and older outside of formal employment. In the informal sector, professional experience and education are often not valued and the focus is instead on the ability to work long hours with no weekends off. It is important to note that both men and women stressed that their skills and knowledge often failed to meet the requirements of private sector employers. Clearly, some private employers are not satisfied with the level of education of prospective employees and offer them jobs with only basic qualification requirements.

Men respondents seemed reluctant to criticise the existing gender order, even when it puts them at a disadvantage themselves. For example, respondents would mention that

Box 4. Women entrepreneurs: building successful business in Azerbaijan's rural areas

In one of Azerbaijan's rural regions Mansura, a 55-year old former school principal, decided to join local WRC to start her own small business. In WRC, you do not have to start with a perfectly formed business idea. The courses and services are designed in such a way that women in rural areas without any previous business experience or specific plans can learn to identify start-up opportunities and develop the skills they need to turn these opportunities into viable plans and businesses. Mansura made sure to attend every training course available and as a result developed her very own start-up proposal. "I studied everything!" she says, laughing, "Computing skills, writing CVs, basic accounting and business plan development."

She eventually decided to open a bakery in her village. Mansura estimated that the

customers will enjoy buying freshly baked bread without having to travel to the supermarket in a town nearby. Her pitch was well developed and WRC Commission selected it as a winner. Mansura received free built-in gas oven that the project installed for her and a bread-making machinery, with a dough-mixing function.

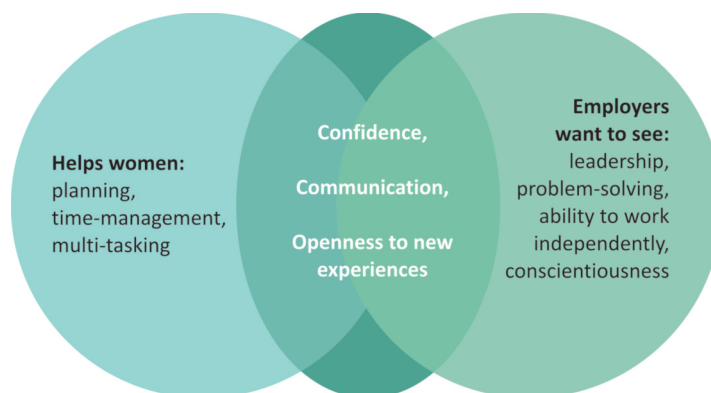
Now Mansura's freshly baked bread is so popular that even the supermarkets in the nearby towns are ordering from her. Recently she has taken on two new staff to help meet the demand, further passing on the benefits of both her own determination and the services of the Women Resource Centre.

Based on Strong Women, Strong Communities booklet, May 2018, published with a financial support from EU and UNDP

women get additional help in some offices and receive special treatment (leaving early, taking days off to attend to sick children, avoiding business trips to tough areas), but would always add that it was "natural", since women should be helped. In several instances, men respondents told of how private sector

employers in their area prefer to hire young women, which leaves men with few employment opportunities. The combination of youth (younger than 35), gender and the expectation of low payment gives women an advantage in retail and lower ranks of office jobs, according to men respondents from Guba,

Figure 13. Qualities valued by women respondents as compared to qualities sought by prospective private sector employers



Gabala and Khazar. These statements were accompanied by an assurance that these are “women’s jobs” and men “do not need such jobs, since those do not pay enough.”

Such statements highlight the impact of gender stereotypes of “women’s and men’s work” on men’s decisions to pursue specific employment opportunities. Other than lower salaries, certain jobs commonly perceived as “suitable for women” are automatically deemed unfit for men. Men respondents mentioned jobs in the women’s section of department stores as an example of such work.

The study made clear that many significant barriers impeding women’s participation in the private sector economy did not affect men. Several men respondents expressed genuine surprise when asked if their wives would have a problem with them coming home late from work. “How could she be upset if I was working?” asked one focus group participant

from the Khazar region. A man’s advantage in accessing private sector jobs is maintained through the distribution of family responsibilities and the gendered division of both the public and private spheres.

A close analysis of several barriers which are absent for men but persistent for women (working late, travelling, responsibilities for domestic work and childcare), underlines the systematic nature of gender inequality in certain types of private sector employment. First, **as described by a woman respondent from Saatly, “the world of work is designed for men”**. For example, the official working day in many offices (09:00 to 18:00, without extra working hours) is designed for people who are not responsible for certain *domestic responsibilities*. “We can’t stay in the office for the full day because kindergarten closes at five,” related another woman participant from Saatly. Policies for flexible working (for example, as one offered by cell phone service giant Azercell)

Box 5. Fighting harassment at the workplace, best practice from Azerbaijan's small business

Some small businesses in Azerbaijan demonstrate how to introduce good prevention practices. Several entrepreneurs shared their experience of preventing harassment and sending a clear message about it to the staff. Prevention and response in small private companies has its own unique challenges. The lack of policies and procedures addressing sexual harassment is a common problem all across the private sector in Azerbaijan. However, small enterprises are particularly reluctant to introduce such policies formally. Small businesses often work on tight budgets and do not have money for expensive equipment or training. Also, in small tightly knit collectives, suggesting an internal policy on harassment is often regarded by staff as a lack of trust. Some small and medium business owners are fully aware of the attitude, however, they are also aware that harassment in the workplace happens and can go undiscovered for a long time. The study revealed that responsible entrepreneurs leading small companies:

- Send clear messages about non-tolerance of specific types of behaviour in the workplace;
- Ask women staff members to come directly to them if worried about harassment;
- Introduce clear rules regarding outside visitors to the office and personally engage when rules are violated;
- Instruct men and women employees to immediately get involved and support women colleagues if there is a possibility of harassment by a customer;
- Demonstrate concern about the safety of women employees outside the office premises (for example, providing a company car to take them home if working late).

The awareness and engagement of company leadership becomes very important in workplaces where respective policies are not yet in place.

are a rarity. Another common example – respondents in most regions related that after coming back to work from maternity leave, women employees struggle to find any established mechanisms assisting them in reintegrating, catching up and re-learning necessary skills.

Secondly, the **high intensity and long hours of work expected by many private sector employers (especially in small and medium companies) requires not only a man ready to commit and capable of enduring such a high pace of work, but also a woman who can constantly provide unpaid domestic labour and care.** Against a backdrop of insufficient public family support infrastructure (kindergartens, after-school groups for children, cleaning and other services) and costly private options, families are left with little choice. For families with children, long working hours, frequently and haphazardly changing working schedules, or frequent business trips of one parent, can only happen if the other parent takes on the full workload of unpaid domestic work. Occasional help from other women relatives (usually the grandmother or mother-in-law) fails to provide a stable solution and is likely to weaken due to the fact that the retirement age for women is reaching an all-time high (60 years old in 2015 and increasing by 6 months every year till 2027).⁶⁰

To summarise, gender-specific barriers encountered by men and women are closely linked. Together they generate a system where a number of factors come together – working conditions and the lack of regulation in certain segments of the private sector, insufficient mechanisms for protecting workers rights, patriarchal gender roles and insufficient public infrastructure supporting working families. The system regularly reproduces gender inequalities and ensures the relatively low participation of women in competition for decent private sector jobs and entrepreneurial opportunities.

3. Facilitating factors for women and men

As is evident from Figure 12 women, compared to men, require a considerably longer list of facilitating factors in order to access private sector jobs and build a career in the sector. Both women and men respondents believed that gender can help them to get certain types of job. They also mentioned factors that were universally helpful. In line with the observation that men are unaware of gender-specific barriers, men did not add any facilitating factors outside of the generally applicable ones. When it came to women respondents, on the other

[60] Amendments to Azerbaijan Republic's Law on pensions, section II, article 7. Please, see the full text of the law with amendments introduced in 2017 at <http://www.e-qanun.az/framework/11566> (last accessed on 28/06/2018)

hand, the list of gender-specific facilitating factors accurately matched those barriers encountered exclusively by women.

When asked “What commonly helps women to get decent jobs or run successful business?”, women respondents in all categories and across all regions cited “*support from one’s family*” as a key factor in seeking employment, building a career and running a successful business. By “support”, women respondents often meant moral encouragement, understanding, and practical help in meeting some of the challenges of combining work outside of the home and domestic labour. It is important to note that, with the exception of some participants in Baku, women rarely expected an equal division of domestic work with their husbands. In accordance with a deeply internalised gendered distribution of family responsibilities in the private and public sphere, women wished only for partial inputs rather than true parity. If the financial situation allowed, women working outside of home selected to use paid domestic help rather than request assistance from their spouses.

Parental support in selecting a field of education was also listed by several women respondents in Shaki, Lankaran, Khazar and Baku as fundamental for boosting a woman’s future chances of securing a decent job in the private sector. Women respondents would prefer parents

to give girls more freedom in selecting specialties and professions outside of the narrow list of areas deemed gender-appropriate. Women repeatedly invoked “*employer support*” as important for career development, in reintegrating into the workplace following maternity leave and, importantly, as a shield against harassment.

In addition to factors related to education and the socio-cultural environment, women respondents elaborated on a number of behavioural characteristics and cognitive skills essential for working in the private sector. Confidence was mentioned repeatedly by women across categories as a key quality for a successful career. Women respondents described confidence-building as a process necessary for women to overcome socially and culturally instilled behavioural rules (such as, ‘being timid’ and ‘avoiding conflicts’).

The study highlighted that while men were more inclined to focus on external circumstances and a lack of education/skills, women in all regions and categories were prepared to identify the personal qualities needed in order to succeed in the private sector job market. It is important to note that some of the characteristics described by women respondents overlapped with or were closely connected to qualities which many Azerbaijani private employers are struggling to find in the labour market (according to Azerbaijan STEP Employer Survey)⁶¹.

[61] Jan J. Rutkowski, *The World Bank Demand for skills, Main results of the Azerbaijan STEP Employer Survey (2013)*

All respondents described gender-specific facilitating factors as closely intertwined with general drivers of successful careers such as connections, money, appropriate education, IT and Internet skills and knowledge of foreign languages. Interestingly, the list presents a combination of factors essential for meritocratic as well as non-meritocratic working environments. This suggests that, despite some negative experiences discussed in the course of the research, many respondents maintain a belief that in Azerbaijan's private sector success is still closely tied to hard work and skill levels.

Conclusions

The study demonstrated that, in general, both women and men respondents express more positive opinions about the employment in public sector compared to the private sector. Despite the belief that the private sector can offer better wages, the respondents commonly associate public sector jobs with qualities such as stability, respect for an employee's dignity and labour rights, clearly defined regulations, and considerably stronger security in retirement. Public sector employment is often preferred by women employees because it guarantees the rights of working mothers and respects a work-life balance. Women respondents value the respect for set working hours in public sector jobs. This is particularly important, given that women tend to carry a disproportionately large

workload of unpaid domestic labour. Women also find public sector jobs safer, given the perceived risk of being subject to harassment in some segments of the private sector.

The study identified good practices used by the government as well as some private sector companies in addressing the needs of women entrepreneurs and employees. The measures under the Strategic Roadmaps envision increase in support for women entrepreneurship through building professional associations, providing necessary knowledge and skills, establishing business incubators and stimulating mechanisms for women-owned businesses. Rural Women Empowerment Project and the network of Women Resource Centres present a promising model of government support for women-led businesses in rural areas (business incubator), for capacity building among women entrepreneurs and for assistance in building professional networks. The government also puts considerable effort into building a positive public image of women entrepreneurs and promoting the goods and services provided by women-led businesses.

The study also identified a range of gender-specific barriers that may prevent women from rising to powerful positions in the private sector in Azerbaijan, and may hinder women's search for decent jobs and business opportunities. The findings reveal that many of these barriers are uniform and impede women's economic empowerment across regions, regardless of both the urban/rural divide and employment status.

The gender-specific barriers often accumulate and women are left to struggle with a combination of economic burdens, discriminative practices and patriarchal gender norms and behavioural restrictions. Gender stereotypes along other factors generate “glass ceiling” in the private sector: women can become marginalised and overlooked in promotions to decision-making positions. Striving to survive and succeed in the private sector, some women deal with a continuum of gender-specific factors that extend from discrimination in employment to sexual harassment in the workplace, and from the burden of unpaid domestic labour to family-imposed restrictions on mobility in public spaces. Due to the same set of barriers, women entrepreneurs, compared to men, have limited access to financial credit, technology and professional networks.

The findings of the study demonstrate that gender-specific barriers are present throughout a woman's life cycle. Firstly, some families limit the range of educational choices available to girls, which has a negative effect on future employment opportunities. Subsequently, at reproductive age, restrictions (based on stereotypes of ‘women’s work’, control over women’s access to public space in some families and the distribution of unpaid domestic labour) limit economic opportunities for women to start a business or build career in a private company. The study also revealed that discrimination against newly married and pregnant women in private sector hiring

further limits women’s access to private sector jobs. While women of all ages run the risk of becoming victims of gender-based discrimination in the workplace, women over 35 also face heightened risk of age-based discrimination.

The findings reveal that measures directed at supporting women in the private sector will have to address a continuum of practices and attitudes merging gender-based discrimination and gender stereotypes with violations of legally guaranteed worker’s rights. Lack of compliance with the Labour Code with regard to working hours, vacation time and salaries in some segments of the private sector affects both men and women workers. However, women are rendered additionally vulnerable due to gender-based discrimination in the workplace and, at times, have to stay home to provide family care necessary because men are subjected to unlimited working hours and unstable working conditions.

The study also revealed that, due to the numerous barriers they have to overcome, women require a much longer list of facilitating factors in order to succeed in private sector employment or in entrepreneurship. These factors include family support, appropriate education, the redistribution of domestic labour, greater mobility in public space, and gender-equal treatment by employers. The findings demonstrate that men also encounter gender-specific barriers in the private sector (for example, when accessing

certain jobs widely believed to “suit women”). The results suggest that patriarchal stereotypes, casting men as the sole providers for their families, impose a significant emotional and physical burden on men. However, at the same time, the data revealed that men tend to exhibit little awareness of gender-specific factors affecting the economic opportunities of women and men in the private sector. Given that men constitute an overwhelming majority of decision-makers in the private sector, these findings suggest that the ‘gender-sensitive approach’ is rarely used in decision-making and employment policies in private companies.

The study established that gender-specific barriers faced by both women and men feed into a system which links illegal employment practices in some segments of the private sector economy with a patriarchal family order and restrictive gender stereotypes upheld within communities. The operations of a certain segment within the private sector contribute to the reproduction of gender inequalities and gender-based discrimination by routinely locking women into low-paying jobs, relying on women to provide unpaid labour at home and in the workplace and promoting gender stereotypes for economic gain (for example, in commercial advertisements).

The study revealed specific mechanisms reproducing both vertical gender segregation and horizontal concentration, as discussed in the

concluding recommendations of the CEDAW Committee. The burden of unpaid domestic labour, poor qualifications, gender stereotypes of “women’s work”, age and appearance-based discrimination, and fear of harassment, push women away from often better-paying private sector jobs or limit them to informal and unstable employment. As a result, compared to men, women are less likely to gain economic power, accumulate savings independently, rise to decision-making positions in the workplace, take part in professional networks and build an economically secure future.

The elimination of gender-specific barriers, can help women to realise their full potential as business-owners, and thus boost the growth of entrepreneurship and expansion of the country’s tax payer base. Faster development of women entrepreneurship and further engagement of a highly qualified women workforce are necessary for boosting the potential of the private sector to drive the national economy. The importance of the progress towards gender equality in the private sector is fully acknowledged in the national strategic vision for Azerbaijan’s transition to a growth model based on advanced human capital (as envisioned in Azerbaijan’s Roadmap for Strategic Development for 2016-2020⁶²).

By limiting women’s opportunities for accessing well-paying and stable employment in the

[62] *Azerbaijan's Strategic Roadmap on the National Economy Perspective*, 6 December 2016

private sector, gender-specific barriers generate a range of future challenges for national social provision mechanisms, for the public health system and for poverty reduction efforts. The demographic ageing process is accelerating in Azerbaijan and estimates suggest that by 2030 half of the population will be 36.5 or older. Accordingly, demographic pressures on the pension system and public services will triple over the next 25 years.⁶³ In 2017, women constituted the majority in all age categories over 65.⁶⁴ Supporting women's economic independence and social participation is likely to reduce the pressure on public services and social protections for older population. Both state and private actors have a vital interest in assisting women in becoming economically secure, in accessing decent jobs, in engaging in entrepreneurial activities, and in further integrating into their respective communities.

Finally, findings of the study support the idea put forward in the 2030 Agenda for Sustainable Development and the Sustainable Development Goals: gender equality, the economic empowerment of women and girls,

and the elimination of gender-based discrimination is essential for ensuring sustainable and inclusive economic growth (SDG 8), the elimination of poverty (SDG 1) and the reduction of inequality (SDG 10).⁶⁵ The gender-specific barriers identified by this study provide evidence of the detrimental effect of gender inequality on the efforts to build a dynamic, sustainable, innovative and people-centred economy. These conclusions stress the importance of mainstreaming gender-sensitive lenses into all policies and programmes dedicated to sustainable development – both in general and those supporting the private sector in particular.

Recommendations

Given their complex nature, gender-specific barriers should be addressed through policies and programmes capable of integrating economic empowerment with initiatives to support social participation of women and to transform gender stereotypes. Such efforts have the best probability of success if

[63] *Population Situation Analysis: Beyond the Demographic Transition in Azerbaijan (2015)*, UNFPA/UNDP, pp. 41-43

[64] *The State Statistics Committee of Azerbaijan Republic, Composition of the population of the Republic of Azerbaijan, by sex and age groups at the beginning of 2017*, www.state.gov.az

[65] *UN Development Summit (25 September, 2015) Transforming our World: the 2030 Agenda for Sustainable Development*, <https://sustainabledevelopment.un.org/post2015/transformingourworld> the state budget, administrative support and clear regulation). Please, see <http://www.e-qanun.az/framework/38078> (last accessed on 28/06/2018).

[66] *The information was provided by the MLSPP.*

Box 6. In Focus: successful government effort to help those seeking employment⁶⁶

The Ministry of Labour and Social Protection of Population (MLSP) partnered with SYSLAB International AS, the United Nations Development Programme (UNDP) and the Norwegian Ministry of Foreign Affairs (NMFA) to run the SYSLAB programme in several regions of Azerbaijan. SYSLAB Azerbaijan is a successful local implementation of an international programme aiming to reduce unemployment among women and men with higher education (engineers, teachers and healthcare professionals). The programme provides training and consultation on professional development, resume writing, interviewing for employment and networking. The MLSP also carries out a training programme for men and women seeking employment in all regional centres. Out of 33831 women who applied to unemployment centres run by MLSP in 2017, 13386 found a job, 3983 were granted “unemployed” status, 4772 were assigned welfare payments and 1826 were provided with professional development training.

Following the President’s Decree (“On additional measures to ensure population’s self-employment”, issued on April 7, 2016)

the Presidential Reserve Fund allocated 6 million manats for the MLSP. The Ministry used this funding to organise professional training for 1767 unemployed in 130 groups in 76 regions. 959 men and 322 women successfully completed the training.

The MLSP with the support from ILO ensured a gender-equal selection process for the pilot subsidy programme aiming to expand decent employment opportunities for young people (as a part of 2016-2020 Decent Work Country Programme).

Also, the "Employment Strategy of the Republic of Azerbaijan for 2019-2030" was approved by the President of the Republic of Azerbaijan on 30 October 2018. The Strategy envisions as one of its primary objectives bringing female unemployment to the minimum level and ensuring productive employment and decent work for women.

In the legislative sphere, in 2017, the MLSP developed and submitted to the national parliament a draft law proposing the elimination of the Labour Code provisions that prohibited women from working in some industrial occupations.

conducted through joint actions of multiple stakeholders. The efforts should specifically make use of public-private partnerships (PPPs) and involve a wide spectrum of social corporate responsibility (CSR) initiatives. The study has identified three general areas in need of multi-actor engagement:

1. Promoting women's entrepreneurship and assisting women to secure decent jobs and enter new segments of private sector employment.
2. Raising gender awareness, strengthening the accountability of private sector actors, and improving data collection and analysis of the gender dimension of private sector operations.
3. Improving access to affordable and high-quality family support infrastructure by boosting public and private investment, and widening the range of feasible daycare choices for working parents (through workplace-based daycare, community daycare (which already enjoys state support)⁶⁷, childcare bonuses for working parents, and other options).

Promoting women's entrepreneurship and access to decent jobs in the private sector will require:

- The government, civil society and the UN to build the capacities of regional educational institutions to organise IT, Internet literacy and STEM (Science, Technology, Engineering and Math) classes and to raise awareness among parents, teachers and students about the importance of STEM for the future of both girls and boys.
- The government to further strengthen and expand existing training and re-training programmes delivering comprehensive professional and technical skills, up-to-date knowledge and necessary experience to women with secondary, special technical and higher education.
- Public-private partnerships (i.e. the government joining forces with private sector actors) and the international development organisations to join efforts in developing and implementing awareness campaigns in order to combat stereotypes of 'women's' and 'men's' work and their corresponding narrow range of educational choices, and to promote women in science, technology and business as role models.
- Private sector actors and civil society organisations to facilitate the creation of private-public funds and foundations by private sector companies, to issue

[67] Following 2017 Presidential Decree concerning additional measures for the development of pre-school education, in 2018 the Cabinet of Ministers issued a decision to support family-based childcare facilities (allocating funds from the state budget, administrative support and clear regulation). Please, see <http://www.e-qanun.az/framework/38078> (last accessed on 28/06/2018).

scholarships for girls to enroll in STEM and business management departments and schools.

- The government, private businesses, civil society actors and international organisations to use existing networks, such as Women Resource Centres and Family Support Centres, to expand assistance to unemployed women seeking jobs in the private sector; to expand the good practices used by the WRC in business training, life skills training, financial literacy training, and comprehensive job search assistance.
- The government, with the support of international development agencies to strengthen efforts to ensure that reforms currently underway in the State Employment Agency use a gender-sensitive approach (including a gender analysis of employment and unemployment trends, employment needs and building gender-responsive information and public services for unemployed women and men).
- The expansion of the SCFWCA-UNDP model of boosting small entrepreneurship among women to cover new regions, and the assessment of the model's applicability in large urban areas, with considerable attention to the urban poor.
- Civil society actors, the government, private sector companies and international organisations to strengthen partnerships to assist women entrepreneurs and professional women in forming networks, creating and entering existing professional associations and pursuing interest-based and issue-based mobilisation using online platforms.
- All stakeholders to further strengthen the support to women professionals and women entrepreneurs to participate in professional seminars and conferences in order to help them engage in international professional and business networks.
- All stakeholders to join efforts to identify and promote promising practices used in public and private sector workplaces to promote gender-equal participation and opportunities.
- The government to continue and expand training and resources for women entrepreneurs on financial literacy, accessing credit, working with the State Labour Inspectorate to protect the rights of working women, and starting and developing their own business.
- The banking sector to develop products and services that respond to the needs of women entrepreneurs.
- The government and expert community to use the current study findings to continue researching gender-specific factors affecting equal participation in the private sector. It is crucial to expand the sample of respondents, in order to accurately capture regional and social differences and generate a larger pool of evidence for data-driven policy-making, advocacy and legislative change.

- The expert community to conduct a legislative review of the Labour Code and suggest to the government any changes necessary to further strengthen the legal protection of women's labour rights and the sharing of unpaid domestic work between parents (for example, equalising conditions for paid parental leave).
- All relevant government actors to examine the policy options and study best international practices for providing incentives to small businesses which hire women staff members and offer paid maternity leave in accordance with existing legislation.

To raise gender awareness and strengthen the accountability of private sector actors, and to improve data collection and analysis of the gender dimension of private sector operations, it is recommended that:

- The UN and other international development partners support government agencies and private sector companies in learning and implementing the Gender Equality Seal Certification Programme for Public and Private Enterprises.⁶⁸ This should be accompanied by a promotional campaign and training exercise to help leading companies to learn and master the Gender Equality Seal Certification Programme.
- The government and civil society organisations strengthen awareness campaigns about the Labour Code provisions protecting women (and working parents in general) among employers and employees in private and public entities.
- Private sector actors demonstrate their commitment to gender equality by conducting gender audits and introducing practical improvements to their policies and procedures.
- Private sector companies join efforts with government and other stakeholders to develop a default harassment in the workplace prevention policy, which can be recommended to each company going through the registration or audit.
- All stakeholders join efforts in developing harassment in the workplace prevention and response training modules (based on good international practices but exhibiting cultural sensitivity) custom-made for large, medium and small companies.
- Large and medium private sector actors be supported in incorporating a gender-sensitive approach in their business models and establishing communication and professional cooperation with networks of women-led small businesses in rural and remote areas.

[68] UNDP created the Gender Equality Seal Certification Programme for Public and Private Enterprises in order to promote gender equality in the workplace and leverage the potential of private sector in generating equitable conditions for women and men. The Gender Equality Seal Programme has already certified hundreds of leading companies across the world.

- The UN together with other international development partners and IFIs provide technical expertise and support to the government and private companies in order to improve gender statistics in private companies and reporting to the national statistical databases.
- Civil society organisations (CSOs) and the media to further develop capacity to analyse and report on gender discrimination in the workplace, in an ethical and accurate way.
- Media and private sector actors partner in disseminating information about women role models working successfully in the private sector as career professionals, decision-makers, innovators and entrepreneurs.
- Civil society (together with media outlets and international organisations) develop and conduct advocacy campaigns targeting the men population and promoting the importance and value of sharing parental and care-related responsibilities and domestic work.
- Media and private sector companies partner in disseminating information about policies and procedures used within private sector companies to advance gender-equal participation and expand opportunities for women and men.

To improve access to publicly available, affordable and high-quality family support infrastructure, boosting public and private investment, and widening the spectrum of feasible daycare choices for working parents, it is recommended that:

- The government collaborates with international organisations conduct a study of prospects for public-private options in strengthening affordable childcare and identifies best international practices which may be applicable in the national context.
- The government partner with civil society organisations (CSOs) and the private sector disseminate information about changes in public policy on pre-school education and its impact on working families. A publicity campaign should highlight the connection between changes in public policy, the expansion of opportunities for women to seek employment, and improvements in living standards for working families.
- The best international practices and local solutions in delivering workplace-based childcare options and childcare bonuses are presented at a series of seminars bringing together large private sector employers, government agencies and local community governance structures (municipalities).

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